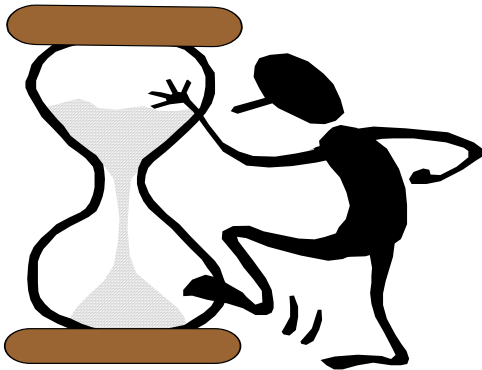


Property Writes

PROPERTY TAX DIVISION NEWS LETTER SEPTEMBER 2003

INSIDE

Message from the Director.....	1
Certified Tax Rates	2
Centrally Assessed Appeals	3
Centrally Assessed Natural Resource....	3
Personal Property	4
Internet Page	4



Property Tax Division
Utah State Tax Commission

***<http://www.tax.utah.gov/property>**
210 North 1950 West
Salt Lake City, UT 84134
(801) 297-3600

MESSAGE FROM THE DIRECTOR - Denny Lytle

During a deposition I gave last week for a property tax case the Division is involved in, I was asked by the taxpayer's attorney to explain how long I have served in my current position as Division Director. I thought for a long time and could not honestly remember how long I have been in this position. My final answer was that I could not remember but that it seemed like a long time. It does seem like a long time but in actuality it has only been a little over a year and a half. A lot has happened in that short time and I hope that you think we are headed in the right direction as a Division.

The Division has recently gone through a process to determine areas we are going to focus on for the next year or so. This was a painful but important and interesting process. We, like many of you, seem to have more to do all the time with fewer resources. Knowing that we cannot do it all, we have to choose those things to focus on that will have the greatest positive impact. I would like to share with you, in general terms, some of the things the Division is focusing on. As you would expect, we have more specific goals and strategies, I just wanted to give you a general idea of where we are headed. I have summarized some of our focus areas into three areas; centrally assessed, locally assessed, and administration.

Centrally Assessed

- Complete development and re-write of centrally assessed computer system;
- Improve appeal preparation and presentations;
- Increase edit and review of audits and appraisals. We want to get it right with the original assessment, then defend it if necessary, and reduce the number and dollar impact of stipulations;
- Make compliance easier for the centrally assessed companies and evasion harder;
- Keep counties better informed
- Move centrally assessed appeals through the process as quickly as possible.

Locally Assessed

- Work to help counties improve market values on FAA land;
- Develop one-day training seminars;
- Analyze and implement improvements to Railroad Ratio Study;
- Develop better tools and methods for analyzing and reporting on county conducted sales ratio studies and reappraisal programs;
- Reduce Personal Property audit turn-around time;
- Work to improve heavy equipment "Rental out of Inventory" processes.

Administration

- Develop Education and Training student information database;
- Redesign Property Tax Division website;

- Develop Division skill and expertise in MS Access;
- Increase coordination and knowledge sharing among all Division sections;
- Develop back-up for each Division function;
- Increase use of electronic tools for data sharing with counties and taxpayers;
- Improve quality of annual statistical report.

We have already made significant progress in some of these focus areas. For other areas we still have considerable work to do. I greatly appreciate the many county officials that provide help and assistance to the Division in performing our functions in the property tax system. We are also striving to help you be successful in your functions. If you have questions or comments about the direction of the division I would be happy to talk to you. Give me a call.

Certified Tax Rates

- Blaine Smith

We are fast approaching the end of the 2003 tax rate setting process. The entities that are anticipating tax increases this year are in the final process of having their Truth-in Taxation hearings and developing their resolutions of the final agreed upon tax rates. This year we saw 47 entities go before the public and ask for tax increases. Seven of the requests were for a one-time judgment levy increase. The number of increase requests this year is about the same number as we have seen in the past several years. The final approved rates should be ready for most of the counties by mid September.

A major change that we will see in the tax rate setting process for the 2004 tax year

will be the changing of the revenue portion of the certified tax rate formula. The 2003 legislature passed changes that go into effect in January of 2004 that requires us to use an entities prior year budgeted revenue instead of prior year revenues collected as part of our calculation. This change should help eliminate the ratcheting down effect of current revenues that many of the entities now experience.

This summer a number of county auditors led by Michael Wilkins, County Auditor of Uintah County, petitioned the Utah State Tax Commissioners to review a long standing practice in how changes in centrally assessed values due to state appeals are being treated. After listening to the arguments presented by the counties and reviewing the current statutes and rules pertaining to the handling of these values, the commission has submitted a change to the existing rule. We are currently in a comment period with a rule hearing to be held September 24, 2003. If the outcome of the hearing is to change the rule then the final centrally assessed values used in the certified tax rate setting process will be adjusted in a similar manner as locally assessed real property values are being adjusted by the impact of local Boards of Equalization.

Centrally Assessed Utility Appeals

- Charles Peterson

The Centrally Assessed Utilities unit is involved in a number of appeals that may have a significant impact on current and future values. We are also involved in an escaped property matter involving PacifiCorp that was brought by the Association of Counties. A hearing on the PacifiCorp case is set for December. The only hearing we've had recently was in regard to Jet Blue's appeal of its 2002 assessment. The Division valued Jet Blue's property essentially at book value. The

Company is asking for a reduction of almost 70 percent for economic obsolescence. A decision favorable to Jet Blue would likely affect the Division's handling of the outstanding appeals of other airlines such as Delta Air Lines, Southwest Airlines, American Airlines, America West, and SkyWest Airlines.

Two appeals by telecommunications companies are on an active litigation track. Qwest is appealing both its value and the Division's selection of the assessment unit. Qwest is asking for a value about 50 percent below the Division's. One of the valuation issues that could have a major impact in the future is the taxability of "goodwill." A formal hearing on the Qwest appeal is scheduled for January. Verizon wireless is also on an active litigation track. Verizon is represented by the same legal counsel as Qwest and has many of the same issues, including the proper assessment unit, which Qwest has. One additional issue that Verizon has raised is whether or not wireless telephone companies should be centrally assessed. A formal hearing on Verizon is tentatively scheduled for next February. Decisions on the unit issue have the potential of impacting Division decisions concerning the proper unit to assess.

The Division recently reached, preliminarily, a settlement with AT&T Communications. Other appeals involving pipelines and regional railroads and small air carriers are still in the initial discussion phase with the company representatives.

Central Assessed – Natural Resources

- Paul Bredthauer

For the past three months fieldwork has been a major emphasis in the Natural Resource Section. This work has been made more efficient due to the use of GPS units and All Topo Maps computer

programs working in conjunction with laptop computers. This equipment more accurately pinpoints location of properties. Prior to completing site inspections of properties, UTM (Universal Transverse Mercator) location readings of the property are downloaded into a laptop computer. In the field a GPS unit is connected to the laptop computer, which places a locator mark on the map software. Also, the GPS unit can be used to compute acreages by making several readings on the property perimeter. The Natural Resource staff would be happy to meet with county personnel concerning the use of this equipment. If you would like to have a demonstration please contact me. I can be reached at (801) 297-3619 or pbredthauer@utah.gov

Attention Assessors, Need to Value Heavy Equipment?

-By Marvin J. Mackey

Are there occasions when you need to get a value or cost new of a backhoe or grader? How about a loader or hydraulic excavator? Maybe you need to value all of the equipment owned by a local construction company and you need that information today.

An internet site which has listings of all major heavy equipment would be handy. Did you know that there is a valuation service called the "Green Guide" that has all of this information available via an internet site? This is a great source of valuation information but it requires a subscription and is very expensive (about \$600 per year).

Fortunately for you the Property Tax Division subscribes to this site and has a password access to the Internet site called "Ironmax.com" which contains the Green Guide. In order to find out how to access this valuable resource, you need to contact, me, Marv Mackey, at the Property Tax

Division. My phone number is 297-3642, email address mjmackey@utah.gov and I will give you instructions on how to sign on and use the Green Guide.

New Internet Page

- Scott Coverston


For some time now, the Property Tax Division has wanted to provide quicker and more direct Internet access to its users. It has made this goal much closer to reality by redesigning the look and feel of a new Page. After about six months work, this project is almost ready for its release.

The new page accomplishes better access in the following **four** ways:

- 1) The top bar looks like other State Internet sites, having **familiar** features like statewide online services, an agency list and a search engine;
- 2) A horizontal menu makes **navigation** to home pages, site links and searching easier, and
- 3) A vertical menu that makes general administrative and information items much easier to find and the specific items that apply to them more **accessible**.
- 4) A **top ten** list that will put the ten frequently accessed items.

Figure 1 is a graphic of the new Property Tax Internet page. This picture gives you a much clearer idea of what we are talking about. **LET US KNOW IF THERE ARE ITEMS YOU WOULD LIKE TO SEE ON THE PROPERTY TAX WEB SITE.**

Watch for the new Property Tax Internet Page this fall. We will send out a notice when we know the launch date.



[State Online Services](#)
[Agency List](#)

[Property Tax Home](#)
[Tax Home](#)
[Site Map](#)
[Contacts](#)

- About Us
- Centrally Assessed
- Personal Property
- Real Property
- Standards of Practice
- Statistical Reports
- Tax Rates
- Training
- Web Site Links
- Forms

UTAH STATE TAX COMMISSION

PROPERTY TAX DIVISION




News/Features:

- [more](#)
- Current stuff
- Current stuff
- Current stuff
- Current stuff

Quick Links:

Property Tax Division
 210 North 1950 West
 Salt Lake City, UT 84134
 Phone: 801.297.3600
 Toll-free: 800.662.4335



Text Only & Site Map | Property Tax Questions Email: propertytax@utah.gov | Web Site Problems Email: ptwebmaster@utah.gov
[Utah.gov Home](#) | [Utah.gov Terms of Use](#) | [Utah.gov Privacy Policy](#) | [Utah.gov Accessibility Policy](#)
 Copyright © 2002 State of Utah - All rights reserved.

